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PROVEN
CAPABILITIES
IN THE
FINANCING,
ENGINEERING
AND
MANAGEMENT
OF ELECTRIC
PUBLIC UTILITIES
IN
GROWTH AREAS

TOP MANAGEMENT TEAM

Wm. M. Hickey (left), Chairman and Chief Executive Officer of C I Power, Eric H. Campbell, President, and R. J. Shirley, recently-appointed Executive Vice-President, in corporate planning session.

Mr. Hickey, a Harvard Engineering School graduate, with extensive experience in public utility financing and management, is an active participant in Inter-American commercial development.

Mr. Campbell, Chilean born, Scotland educated Montrealer, has been engaged in C I Power management for many years — both in the field and the home office.

Mr. Shirley, before joining C I Power, had worked closely with the company as a management consultant on industrial engineering and administration. A native of New Brunswick, he is a graduate of the University of Western Ontario.



MONTREAL □

NEW YORK □

□ BERMUDA

□ BARBADOS

□ VENEZUELA

MEXICO □

EL SALVADOR □

BOLIVIA □

Where CI Power operates

CI Power electric utility companies in Venezuela serve the second and third cities, Maracaibo and Barquisimeto, and the country's oil-producing agricultural, beef and dairy regions.

Participation in a Caracas-based investment company affords diversified investments in data processing, line hardware, real estate and banking.

The Bolivian company supplies electric service to the city of La Paz and to the country's tin mining area. The Salvador company distributes electric power in San Salvador, the capital, and 130 other municipalities. The Barbados company supplies power for the island nation's agricultural, industrial and tourism growth.

The Monterey company is engaged in long-term investment in Mexican industry.

CANADIAN INTERNATIONAL POWER COMPANY LIMITED AND SUBSIDIARIES

CANADA

Canadian International Power Company Limited
CI Power Services Limited
International Power Company Limited
Home Office:
276 St. James Street West,
Montreal 126, Quebec

VENEZUELA

C.A. Energía Eléctrica de Venezuela (Maracaibo)
La Electricidad de Perijá, C.A.
C.A. Energía Eléctrica de Barquisimeto
C.A. Planta Eléctrica de Carora
Inversiones Indesven, S.A.
Consultores Occidentales, S.A.

BOLIVIA

Compañía Boliviana de Energía Eléctrica, S.A. — Bolivian Power Company Limited
Empresa de Luz y Fuerza Eléctrica de Oruro

EL SALVADOR

Compañía de Alumbrado Eléctrico de San Salvador

BARBADOS

The Barbados Light and Power Company Limited

MEXICO

Monterey Railway, Light and Power Company
Compañía Territorial Mexi-Cana, S.A.

BERMUDA

Hemisphere Investments Limited

1971 HIGHLIGHTS

	1971	1970
Consolidated Net Income	\$12,724,000	\$14,400,000
Preferred Stock Dividends	\$ 321,000	\$ 319,000
Earnings Per Common Share	\$ 4.27	\$ 4.85
Common Stock Dividends	\$ 5,227,000	\$ 5,227,000
Capital and Replacement Expenditures	\$19,127,000	\$15,765,000
Installed and Purchased Generating Capacity (kilowatts)	696,000	677,000
Peak Demand (kilowatts)	453,000	431,000
Electric Sales in kilowatt-hours	2,178,416,000	2,020,873,000
Number of Electricity Customers	453,000	430,000

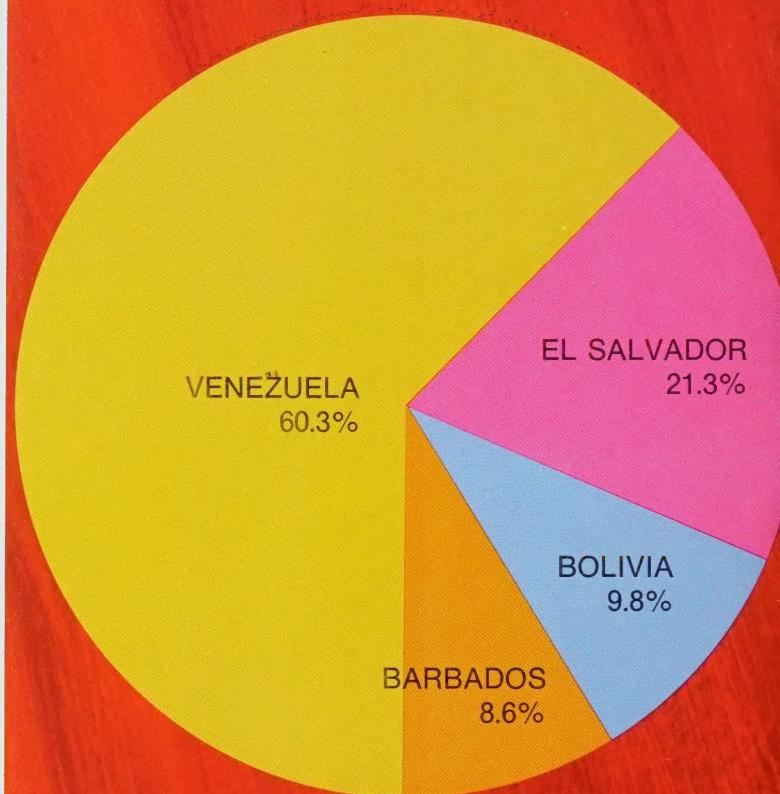
TEN YEAR RECORD

(at December 31)

	1971	1961
Cash and Bank Deposit Receipts	\$23,688,000	\$10,384,000
Preferred Stock Outstanding	\$ 5,747,000	\$22,929,000
Consolidated Operating Revenue	\$60,488,000	\$25,730,000
Earnings — for Common Stock — per Share	\$12,403,000 \$ 4.27	\$ 8,166,000 \$ 2.86*

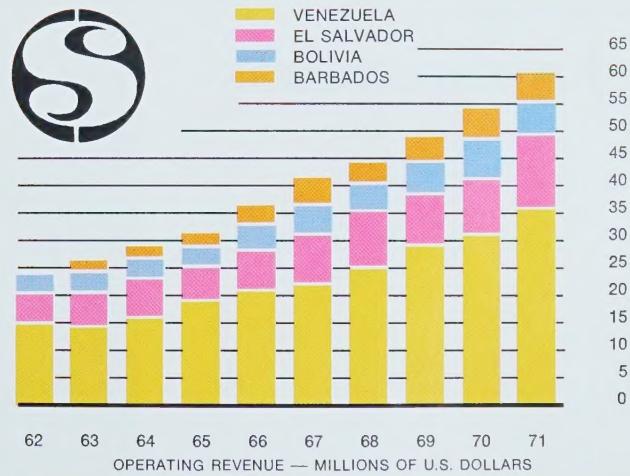
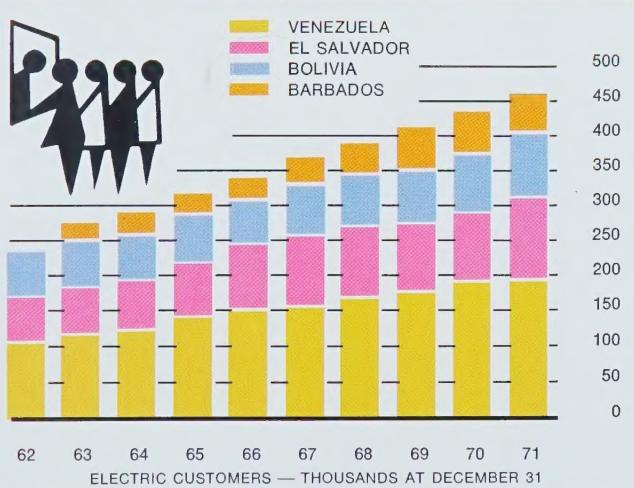
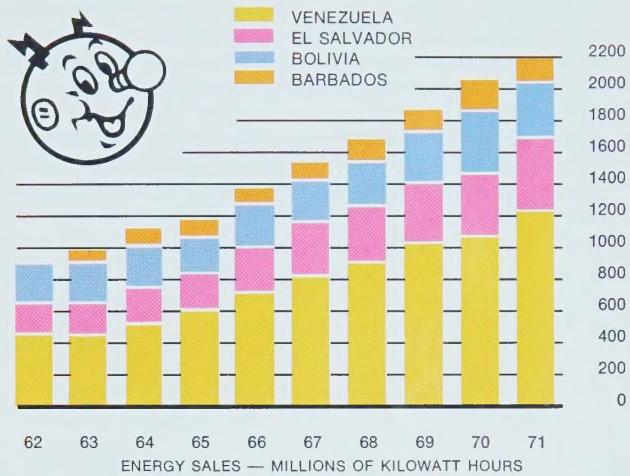
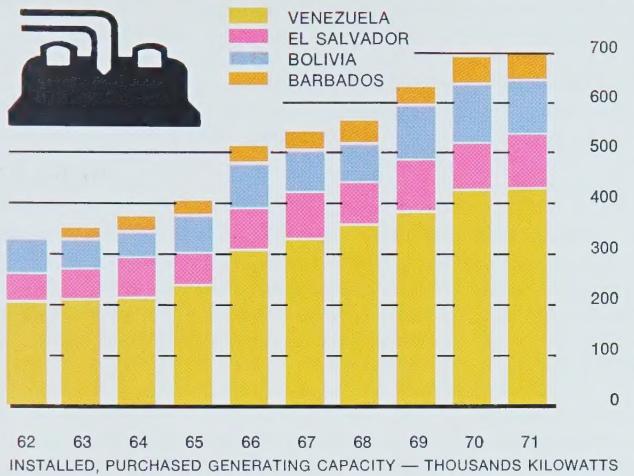
*As restated for 5-4 stock split in 1968.

All figures in this Report
are in U.S. Dollars unless otherwise noted.



Consolidated Operating Revenues
12 Months Ended December 31, 1971

\$ 60,488,000



While 1971 proved an exception to the norm of constant increases in earnings, the year witnessed several accomplishments for future progress. Electric energy sales and operating revenues maintained their growth pattern. Your Company, unlike so many electric utilities, continued to generate sufficient power and to furnish reliable service to our steadily increasing number of customers. As previously reported negotiations are continuing in Venezuela on participation in our Venezuela electric utilities. Important moves have been made in the direction of diversified investments in other industries and world areas.

Our quarterly reports noted that increased fuel costs, unusual operating expenses and a provision in the current year of \$700,000 for a possible loss on investments, affected earnings this year. Consolidated earnings on the common stock for 1971 were \$12,403,000 or \$4.27 per share (after extraordinary item), as compared with \$14,081,000 or \$4.85 per share for 1970. Operating revenues in 1971 amounted to \$60,488,000, an increase of 7.8% over 1970 (which has been restated to include revenues of MEICA). Kilowatt-hour sales in 1971 totalled 2,178,416,000 compared with 2,020,873,000 in 1970. The combined systems served 453,000 customers compared with 430,000 in the previous year.

Total generating capacity, as of December 31, 1971, exceeded peak demand by 54%. Consistent with the Company's policy of keeping well ahead of customer needs, capital expenditures in 1971 totalled \$19,127,000 and a capital budget of \$18,303,000 has been approved by the Board of Directors for 1972.

TO THE SHAREHOLDERS

Cash and bank deposit receipts, as of December 31, 1971, amounted to \$23,688,000, considerably in excess of total current liabilities.

2 for 1 Stock Split

In order to broaden the distribution of common shares, the Board of Directors, at their February 4, 1972 meeting, voted a 2 for 1 split of the common stock. This is subject to confirmation by the shareholders at a Special Meeting on May 5, 1972.

U.S. Interest Equalization Tax

As in preceding years, the U.S. Internal Revenue Service has ruled that Canadian International Power is a less developed country corporation for Interest Equalization Tax purposes. Therefore, no Interest Equalization Tax will be imposed for acquisition of Company stock made during 1972 and on or before March 31, 1973.

Executive Changes

Eric H. Campbell, for several years Vice-President — Finance and, more recently, Executive Vice-President and a member of the Board of Directors, was appointed President and a member of the Executive Committee by the Board at their May 1971 meeting. John Kazakoff resigned as Vice-Chairman and member of the Board to assume new responsibilities as President and General Manager of the Company's recently established Bermuda subsidiary, Hemisphere Investments Ltd.

R. J. Shirley, formerly a Regional Partner in the Canadian management consulting firm of Woods, Gordon & Co., has joined the Company as Executive Vice-President of C I Power and of C I Power Services, the Company's management, engineering and purchasing subsidiary. As a member of the Board of Directors, Mr. Shirley also serves as Chairman of the Investment Committee of the Board.

The Ten-Year Record

Your Company's ability to manage a complex of electric utilities in widely diverse locations and in areas of economic and/or political change, is evidenced by our Ten-Year Record. Although earnings in 1971, for the reasons stated, compared more favourably with those of 1968 than with the record earnings of 1969 and 1970, they added to the Company's growth. Earnings for the common stock from 1961 to 1971 rose 50%; cash and bank deposit receipts in the ten-year period increased more than \$13,304,000. Cash dividends, paid on both preferred and common stock during these ten years, totalled \$41,285,000.

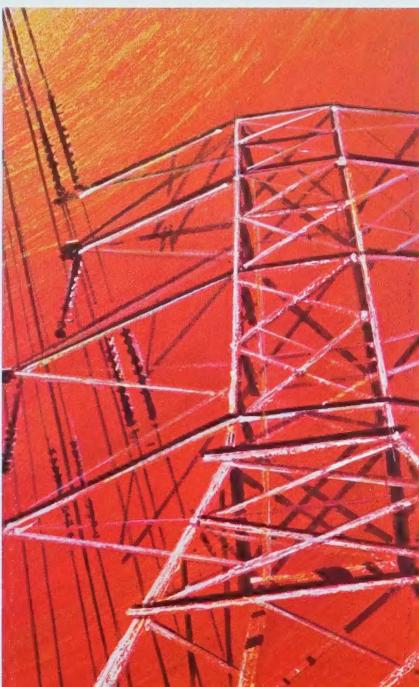
During the same period, expenditures on new and expanded facilities amounted to \$127,192,000, a major contribution to the progress of the countries in which our subsidiaries operate. Later pages of this report highlight a few of the specific management accomplishments which have contributed to the Company's success.

Diversified Investments

In recent years the Company has engaged in investments other than electric utilities in Venezuela and Mexico. For some time, however, serious consideration has been given to further diversification in other areas, particularly in Canada. To that end, the Board of Directors appointed an Investment Committee, now chaired by Mr. R. J. Shirley. The Committee has established guidelines and screening procedures. It is expected that continued search will, within a reasonable time, develop investments worthy of the committee's serious consideration. Shareholders will be informed of any such development when it eventuates.

The Venezuela Companies

As reported to the shareholders at the Annual Meeting on May 7, 1971, conversations with representatives of the Venezuelan government indicated that, while they wished to have C I Power continue as foreign investors in Venezuela, they would like the Company to consider, on a voluntary basis, making a substantial participation in our Venezuelan utility companies available to agencies of the Venezuelan government, as well as to private Venezuelan investors. Because of the protracted nature of the negotiations, the Company continues to explore other possibilities.



Again as previously reported in our quarterly reports, the Company has appealed the Maracaibo City Council's unilateral increase in the tax rate on gross sales to 12%, despite a city contract, fixing the tax at a much lower rate. This appeal is moving through the Venezuelan courts. It will take considerable time before a final decision is reached.

During the year the service areas of Cadafe, the government-owned electric utility, and those of our Maracaibo Company were more precisely defined. It was agreed that our Company would operate only on the western side of Lake Maracaibo, Cadafe on the eastern side. This means that the company will shortly dispose of the small electric systems of the towns of Santa Rita, Alta Gracia and Mene de Mauroa, east of the Lake.

All four Venezuelan electric companies reported sales increases: Maracaibo 7.5%; Barquisimeto 7.9%; Perijá 4.6%; and Carora 10.0%.

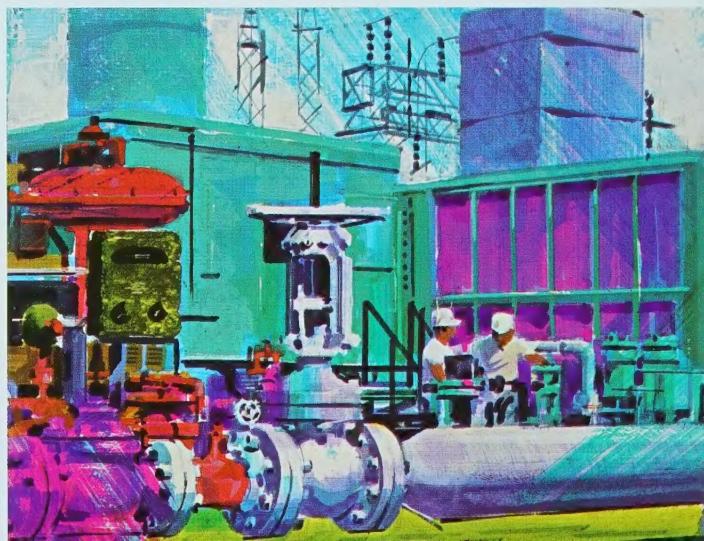
The Company is engaged in the construction of a new 138/24 kv central substation in the middle of the City of Maracaibo, with 180,000 kva capacity. Two new gas turbine generating units rated at 27,600 kilowatts each will be commissioned in 1972. These were designed by C I Power Services and are being installed by the newly established engineering subsidiary of C I Power Services, Consultores Occidentales, S.A., in collaboration with the engineering staff in Montreal.

Among the non-electric power operations, Fiveca, the Caracas real estate development company in which C I Power's investment subsidiary, Inversiones Indesven, S.A., is the principal shareholder, acquired a 24% interest in the Banco Royal Venezolano, formerly the Venezuelan Branch of The Royal Bank of Canada. Alejandro J. Lara, a member of the Executive Committee of the C I Power Board of Directors and President of Fiveca, has been elected President of the new bank. Fiveca continues its successful development of middle income housing in Caracas, as well as its participation in the Centro Plaza project, the new shopping, hotel and office complex now being erected in downtown Caracas. MEICA, the company controlled line hardware operation, reported 1971 net income of 7% on investment. Procedatos, wholly-owned Maracaibo data processing center, continued to expand its operations.

The Bolivia Company

Continuous efforts throughout 1971 by the management of our Bolivian investment, Bolivian Power Company, resulted in authorization from the government agency concerned to increase customer rates by 33%; a 50% rate increase was secured by the Oruro company.

In August 1971, the government of General Juan José Torres was replaced by a government headed by Colonel Hugo Banzer. The new government has enacted a favourable investment law and returned some industries, nationalized by the previous regime, to their former owners. Bolivia has ratified the agreement drawn up by commissions from the



Andean Common Market countries (Colombia, Bolivia, Chile, Ecuador and Peru — Venezuela is planning to join the group), which would place limitations on the expansion of public utilities. As a result, the Bolivian company has offered Bolivian authorities an opportunity to participate in ownership of the company on terms which would be mutually acceptable.

With the implementation of the new Canadian Tax Reform Act, the Bolivian company, had it continued Canadian residence, would have lost its tax exempt status as a foreign business corporation. Residence was therefore transferred in December 1971 to New York City. As the Act precludes participation of Canadian residents in the administration of the company, all Canadian residents on the Board of Directors of the Bolivian company were replaced with non-residents and Bruce F. Junkin, formerly in charge of Bolivian operations in the Montreal office, was appointed President of the company with headquarters in New York.

In 1971, kilowatt-hour sales of the La Paz Division increased 5.5% over the previous year. Capital expenditures amounted to \$4,721,000. Service was extended to 3,347 new customers in La Paz to reach a year-end total of 72,686. Earnings were affected by substantially increased labour costs. Work on the new 26,000 kilowatt Cahua hydro-electric plant is progressing satisfactorily.

The Salvador Company

In 1971, kilowatt-hour sales of the Salvador company increased 40,258,000; revenues 6%. In the later months of the year consumer buying, as is customary in El Salvador, was affected by the forthcoming Presidential election. This election, held on February 20, 1972, resulted in a victory for Colonel Arturo Armando Molina, who succeeds Presidente Fidel Sánchez Hernández, continuing the Partido de Conciliación Nacional as the party in power.

The new San Antonio Abad sub-station, providing a second source of power from CEL, the Government power agency, in its first year of operation, is an important facility for ensuring reliable service to the city of San Salvador, as is the equally new distribution center.

Efforts were continued throughout the year to increase the power capacity of the city distribution lines. During the year, 2,900 poles, 320 miles of line and 1,900 new street lighting fixtures were installed.

The Barbados Company

Sales reached a total of 145,088,000 kilowatt-hours, an increase of 12.9% over the previous year's record. Operating revenues totalled \$5,203,000 compared with a total of \$4,483,000 in 1970. Customers at December 31, 1971 numbered 47,733, an increase of 8.3%. The addition of two Mirrlees "K" Major Diesels in 1971 to the two installed in 1970 at the Spring Garden Plant brought the company's total installed generating capacity to 48,000 kilowatts, leaving ample reserve capacity to meet the 1971 peak demand of 30,160 kilowatts. The company's distribution network now covers 90% of the island republic's population.

Most significant event of the year was the election of Prime Minister Barrow to his second term in office. Tourism, now the leading source of income for the island, suffered somewhat during the 1971 winter season from the recession in the United States. In the late months of 1971 and in early 1972, however, the jet planes and cruise ships were returning tourist income to normal.

The company has been pleased to receive commendations from the Government for the speed with which it fulfilled its contract for street lighting fixtures on the island's major thoroughfares.

The Mexican Company

The company's net income for the year amounted to \$286,000 compared with \$294,000 in 1970. All promissory notes covering the 1962 sale of the company's public utility properties to the Mexican government have been paid with interest on the due dates.

With the declaration on February 3, 1972, of a dividend of \$5 per share on the Cumulative Preference Stock, and further dividends later in 1972, the Mexican company expects to reduce materially the dividend arrears.

The Mexican company has recently purchased an interest in Aluminio S.A. de C.V. This is Mexico's sole aluminum ingot producing company.

A Look Toward the Future

The ability of your management to meet and master difficult problems, to adapt to new conditions, to weather economic and political storms has built our past success. It should continue to stand us in good stead as we meet the challenges of the future. This year, as usual, we wish to thank all of our people in C I Power and the subsidiaries for their able work.

For the Board of Directors,



WM. M. HICKEY
CHAIRMAN



ERIC H. CAMPBELL
PRESIDENT



CANADIAN INTERNATIONAL POWER COMPANY LIMITED

FINANCIAL STATEMENTS 1971

AUDITORS' REPORT

To the Shareholders of
Canadian International Power Company Limited:

We have examined the consolidated balance sheet of Canadian International Power Company Limited and subsidiary companies as at December 31, 1971 and the consolidated statements of income, retained earnings and changes in financial position for the year then ended. Our examination of the financial statements of Canadian International Power Company Limited and those subsidiary companies of which we are the auditors, included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. We have relied on the reports of other public accountants with respect to their examination of the financial statements of the remaining subsidiaries, whose assets and operating revenues represent sixteen percent and thirty percent of the respective consolidated totals.

In our opinion these consolidated financial statements present fairly the financial position of the companies as at December 31, 1971 and, subject to such adjustment, if any, as may result from the outcome of the matter described in note 8, the results of their operations and the changes in their financial position for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year, after giving retroactive effect to the change in the accounting for investment in subsidiaries, described in note 1.



Montreal, Canada
March 14, 1972.

Chartered Accountants

The Annual Meeting of Shareholders of
Canadian International Power Company Limited
will be held on May 5, 1972, at 10:30 a.m. (Eastern Daylight Saving Time)
at the office of the corporation
276 St. James Street West, Montreal 126, Quebec, Canada.

CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 1971

(with comparative figures at December 31, 1970 — note 1)

(expressed in United States currency)

ASSETS

	1971	1970
<i>Property, plant and equipment (note 3):</i>		
Production	\$113,426,038	\$105,770,219
Transmission and distribution	116,028,953	107,849,150
Other	14,988,017	14,069,528
	<u>244,443,008</u>	<u>227,688,897</u>
Less accumulated depreciation	60,628,066	55,544,094
Net property, plant and equipment	183,814,942	172,144,803
<i>Investments and other assets (note 4)</i>	<u>13,828,234</u>	<u>12,457,811</u>
 <i>Current assets:</i>		
Cash	3,353,816	3,933,825
Bank term deposits payable in U.S. dollars held in London, Bermuda and New York	19,690,000	15,342,206
Other term deposits	644,148	372,452
Accounts receivable	13,817,687	12,009,541
Materials and supplies, at cost	6,837,752	6,061,678
Prepaid expenses	468,686	511,290
Total current assets	<u>44,812,089</u>	<u>38,230,992</u>
 <i>Deferred charges (note 2)</i>	1,003,777	427,743
 On behalf of the Board:		
<i>J.W. Kirby</i> Director	<u>\$243,459,042</u>	<u>\$223,261,349</u>
<i>R. C. Kirby</i> Director		

See accompanying notes

SHAREHOLDERS' EQUITY AND LIABILITIES

	1971	1970
<i>Shareholders' equity:</i>		
Capital stock (note 5) —		
Preferred stock	\$ 5,746,553	\$ 5,857,444
Common stock	17,646,448	17,646,448
	<u>23,393,001</u>	<u>23,503,892</u>
Appraisal increment to property, plant and equipment (note 3)	19,965,783	19,965,783
Retained earnings (note 7)	130,129,114	122,919,853
Total shareholders' equity	<u>173,487,898</u>	<u>166,389,528</u>
<i>Minority interest in subsidiary companies</i>	9,717,610	9,577,687
<i>Long-term debt (note 6)</i>	<u>31,042,904</u>	<u>24,348,767</u>
<i>Current liabilities:</i>		
Bank loans (note 4)	8,310,462	4,248,674
Accounts payable	5,219,770	4,310,723
Customers' deposits, including interest thereon	1,307,331	1,167,205
Income taxes payable	4,077,844	4,428,824
Dividends payable	1,550,678	1,441,445
Long-term debt, due within one year	<u>4,336,834</u>	<u>3,209,321</u>
Total current liabilities	<u>24,802,919</u>	<u>18,806,192</u>
<i>Provision for contingencies (note 7)</i>	<u>2,679,681</u>	<u>2,638,817</u>
<i>Customers' contributions for line extensions</i>	<u>1,728,030</u>	<u>1,500,358</u>
	<u><u>\$243,459,042</u></u>	<u><u>\$223,261,349</u></u>

CONSOLIDATED STATEMENT OF RETAINED EARNINGS

year ended December 31, 1971

(with comparative figures for the year 1970 — note 1)

(expressed in United States currency)

	1971	1970
Balance at beginning of year	\$122,919,853	\$114,027,614
 Add:		
Net income	12,724,421	14,400,093
Discount less expenses on preferred shares purchased (note 5)	33,159	38,114
	<hr/>	<hr/>
	135,677,433	128,465,821
 Dividends paid:		
Preferred shares (per share — Cdn. \$1.04, U.S. \$1.03 in 1971, and Cdn. \$1.04, U.S. \$1.00 in 1970)	320,993	318,642
Common shares (per share — \$1.80 in 1971 and 1970)	<hr/>	<hr/>
	5,227,326	5,227,326
	<hr/>	<hr/>
	5,548,319	5,545,968
 Balance at end of year (including \$6,432,000 in 1971 and \$5,759,000 in 1970 segregated as legal reserves in the accounts of subsidiary companies)	<hr/>	<hr/>
	\$130,129,114	\$122,919,853
	<hr/>	<hr/>

CONSOLIDATED STATEMENT OF INCOME

year ended December 31, 1971

(with comparative figures for the year 1970 — note 1)

(expressed in United States currency)

	1971	1970
Operating revenue	\$ 60,487,863	\$ 56,105,472
Operating revenue deductions:		
Operating and maintenance expenses	30,506,033	26,653,941
Taxes (notes 7 and 8)		
Income	5,975,378	5,662,979
Other	1,798,612	1,817,653
Provision for depreciation (note 3)	7,594,240	6,855,263
	<u>45,874,263</u>	<u>40,989,836</u>
Operating income	14,613,600	15,115,636
Investment income	2,323,790	2,639,292
Gross income	<u>16,937,390</u>	<u>17,754,928</u>
Income deductions:		
Interest expense — long-term debt	2,424,805	2,362,160
— other	587,114	340,040
Interest charged to construction — credit	(395,024)	(335,010)
Minority interest	896,074	987,645
	<u>3,512,969</u>	<u>3,354,835</u>
Income before extraordinary item	13,424,421	14,400,093
Extraordinary item:		
Provision for losses on investments	700,000	—
Net income	<u>\$ 12,724,421</u>	<u>\$ 14,400,093</u>
Earnings per common share (note 5):		
Income before extraordinary item	\$4.51	\$4.85
Extraordinary item24	—
Net income	<u>\$4.27</u>	<u>\$4.85</u>

See accompanying notes

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

year ended December 31, 1971

(with comparative figures for the year 1970 — note 1)

(expressed in United States currency)

	1971	1970
<i>Source of funds:</i>		
Current operations —		
Income before extraordinary item	\$ 13,424,421	\$ 14,400,093
Charges against income not involving the use of funds in the current period:		
Depreciation	7,594,240	6,855,263
Interest charged to construction	(395,024)	(335,010)
Minority interest	<u>896,074</u>	<u>987,645</u>
Working capital provided from operations for the year, exclusive of extraordinary item	21,519,711	21,907,991
Additional borrowings — long-term debt	10,908,561	3,573,812
Disposals of investments and other assets	2,883,124	2,978,567
Customers' contributions for line extensions	227,672	142,938
Other — net	<u>285,241</u>	<u>236,746</u>
	<u>35,824,309</u>	<u>28,840,054</u>
<i>Application of funds:</i>		
Additions to property, plant and equipment	19,127,420	15,765,066
Less proceeds from disposals	258,065	679,153
	<u>18,869,355</u>	<u>15,085,913</u>
Dividends paid	5,548,319	5,545,968
Repayment of long-term debt	5,034,346	3,609,543
Additions to investments and other assets	4,954,036	1,011,665
Dividends paid by subsidiaries to minority shareholders	481,754	496,805
Purchase for cancellation of 5.2% preferred shares	77,732	78,296
Shares of subsidiary companies purchased from minority shareholders	<u>274,397</u>	<u>5,153</u>
	<u>35,239,939</u>	<u>25,833,343</u>
Increase in working capital	584,370	3,006,711
Working capital, beginning of year	19,424,800	16,418,089
Working capital, end of year	<u>\$ 20,009,170</u>	<u>\$ 19,424,800</u>

See accompanying notes

	1971	1970
Changes in components of working capital:		
<i>Increase (decrease) in current assets —</i>		
Cash	\$ (580,009)	\$ 1,351,071
Bank term deposits payable in U.S. dollars	4,347,794	1,444,206
Other term deposits	271,696	226,918
Accounts receivable	1,808,146	2,152,605
Materials and supplies, at cost	776,074	1,305,092
Prepaid expenses	(42,604)	98,642
	<u>6,581,097</u>	<u>6,578,534</u>
<i>Increase (decrease) in current liabilities —</i>		
Bank loans	4,061,788	1,807,924
Accounts payable	909,047	756,004
Customers' deposits, including interest thereon	140,126	103,391
Income taxes payable	(350,980)	46,584
Dividends payable	109,233	(202,965)
Long-term debt, due within one year	1,127,513	1,060,885
	<u>5,996,727</u>	<u>3,571,823</u>
Increase in working capital	<u>\$ 584,370</u>	<u>\$ 3,006,711</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1971

1. Principles of consolidation

The consolidated financial statements include the accounts of the Company and all its subsidiaries, with the exception of Cía. Industrial de Novedades Plásticas y Metálicas, S.A. (Novedades Plásticas), in which the Company has a 75% equity interest. Under an agreement, the Company's interest may be acquired by an option exercisable between 1973 and 1975. The increase in the Company's interest in Novedades Plásticas since June, 1968 (the date of acquisition) in the amount of \$583,000 (1970 - \$422,000) has been reflected in the accompanying consolidated financial statements only to the extent of dividends received, aggregating \$177,700, including \$51,000 in 1971. A subsidiary company, Metalúrgica Eléctro-Industrial C.A. (MEICA), which was previously carried at cost plus equity in earnings since date of acquisition (September 1969), has been consolidated on a retroactive basis and comparative figures for 1970 have been restated with no effect on net income previously reported.

A summary of assets, liabilities, operating revenue and net income of the companies by location is as follows (in thousands of U.S. dollars):

	Venezuela	Bolivia	El Salvador	Barbados	Mexico	Bermuda	Canada	Total
Property, plant and equipment	\$145,763	\$52,528	\$21,991	\$23,785	\$ 269	\$ —	\$ 107	\$244,443
Less accumulated depreciation ...	39,295	9,770	5,588	5,784	119	—	72	60,628
	106,468	42,758	16,403	18,001	150	—	35	183,815
Investments and other assets and deferred charges	5,301	293	59	90	9,036	53	—	14,832
Current assets	9,967	4,101	3,577	1,691	1,573	20,107	3,796	44,812
	121,736	47,152	20,039	19,782	10,759	20,160	3,831	243,459
Current liabilities	14,912	2,255	1,782	1,821	2,050	153	1,830	24,803
Long-term debt	18,627	7,547	—	4,869	—	—	—	31,043
Provision for contingencies and customers' contributions for line extensions	1,839	310	200	1,728	331	—	—	4,408
Minority interest	3,586	203	2,086	2,702	1,084	—	56	9,717
	38,964	10,315	4,068	11,120	3,465	153	1,886	69,971
NET ASSETS	\$ 82,772	\$36,837	\$15,971	\$ 8,662	\$ 7,294	\$20,007	\$ 1,945	\$173,488
*81,476	34,451	15,132	8,246	8,237	—	18,848	166,390	
OPERATING REVENUE	\$ 36,260	\$ 5,963	\$12,869	\$ 5,203	\$ 193	\$ —	\$ —	\$ 60,488
*34,030	5,698	11,695	4,483	199	—	—	—	56,105
NET INCOME	\$ 7,622	\$ 1,912	\$ 1,237	\$ 708	\$ 352	\$ 6	\$ 887	\$ 12,724
* 8,818	1,914	1,549	587	403	—	1,129	14,400	
PERCENT OF NET INCOME	59.9%	15.0%	9.7%	5.6%	2.8%	—	7.0%	100%
*61.2%	13.3%	10.8%	4.1%	2.8%	—	7.8%	100%	

* Comparative figures for 1970

Negotiations have been commenced with the Government of Venezuela with respect to making a substantial participation in the Venezuelan subsidiary utility companies available to a Venezuelan government agency, on a voluntary basis. Discussions have also been held with the Government of Bolivia concerning a participation in the ownership of the Bolivian subsidiary companies on a mutually acceptable basis. Negotiations and discussions are not sufficiently advanced to enable management to assess the effect on the Company.

2. Translation of foreign currencies

All amounts in currencies other than U.S. dollars have been translated as follows:

Assets and liabilities, except for property, plant and equipment — at the rates of exchange prevailing at the year-end.

Property, plant and equipment —

Venezuela and Barbados — at the rates of exchange prevailing at the dates the appraisal increments were recorded as set out in note 3. Subsequent additions have been translated at the rates prevailing at acquisition dates.

Bolivia, El Salvador and Mexico — at the rates of exchange prevailing at acquisition dates.

Provisions for depreciation — at the same rates as those used for the translation of the related assets.

Revenue and revenue deductions — at average rates of exchange during the year.

An unrealized loss on translation of foreign currencies, arising in connection with long-term debt, and aggregating \$653,860, has been included in deferred charges. (In 1970 an unrealized gain of \$251,094 was included in accounts payable).

3. Property, plant and equipment and depreciation

Venezuela —

Based on appraisals made in 1962 and 1965, properties of three Venezuelan subsidiaries are stated on a basis of reproduction-cost-new less observed depreciation. Additions to properties since the date of the appraisals, are at cost.

Depreciation for the year represents the application to original plant cost of depreciation rates approved by the Venezuelan Income Tax Administration plus the amortization of the appraisal increment, both on a straight-line basis.

When depreciable property is retired, the portion of the carrying value represented by original cost less applicable accumulated depreciation is charged to operating revenue deductions and the portion of the carrying value represented by the appraisal increment is charged to accumulated depreciation.

Barbados —

Based on an appraisal made in 1966, properties are stated on a basis of reproduction-cost-new less observed depreciation. Subsequent additions to properties are at cost.

Depreciation rates are applied to the appraised values and to subsequent additions on a straight-line basis.

When depreciable property is retired, the gross book value is charged to accumulated depreciation.

Bolivia and El Salvador —

Properties of these companies are at cost. Depreciation rates are applied to that cost on a straight-line basis.

When depreciable property is retired, the gross book value is charged to accumulated depreciation.

The resulting increases from the revaluation of the Venezuelan and Barbados properties (less the portion applicable to minority interests) are shown on the balance sheet as "Appraisal increment to property, plant and equipment".

Management is of the opinion that the provisions for depreciation for all subsidiaries are adequate on a service life basis. The percentage relationship between the annual provisions for depreciation and the average gross book value of depreciable property was 3.0% for 1971 and 3.1% for 1970.

4. Investments and other assets	1971	1970
Government of Mexico — 6½% promissory notes due semi-annually to January 15, 1977 — at cost	3,935,372	
Less amounts due within one year	<u>582,194</u>	\$ 3,353,178
Fiveca, S.A., Caracas, Venezuela, Shares — 18.4% (1970 — 21.6%) of share capital — at cost	1,017,111	1,221,111
Cía. Industrial de Novedades Plásticas y Metálicas, S.A., Mexico, Shares (see note 1)	2,475,350	2,475,350
Aluminio S.A., Mexico Shares — 4.8% of share capital — at cost	1,997,520	—
7½% debentures, due February, 1980 in the amount of \$180,000	165,140	185,140
Bank term deposits payable in U.S. dollars, held in London	3,000,000	1,920,000
Other — at cost, less accumulated provision for losses (\$762,673 in 1971 and \$162,673 in 1970)	1,819,935	2,679,921
	<u>\$13,828,234</u>	<u>\$12,457,811</u>

The Government of Mexico 6½% notes have been provided as collateral security for bank loans of \$2,600,000 to subsidiary companies.

The bank term deposits aggregating \$3,000,000 have been provided as collateral for the Venezuela 11% notes (see note 6).

5. Capital stock

Preferred stock —

Preferred shares of the par value of Cdn. \$20 each, issuable in series, of which 350,000 shares were designated as 5.2% cumulative redeemable preferred shares, 1965 series —

	1971	1970
Authorized shares, less redeemed	1,959,025	1,964,625
Issued shares	309,025	314,625
Par value	\$ 5,746,553	\$ 5,857,444

The Company is required to set aside out of the profits each year an amount of not less than Cdn. \$70,000 (U.S.\$70,000) for the purchase of preferred shares. During the year 5,600 shares, having an aggregate par value of Cdn.\$112,000 (U.S.\$110,891), were purchased and cancelled.

The 1965 series are redeemable at the option of the Company at a premium of 2%.

Common stock —

Common shares of no par value —	1971	1970
Authorized shares	3,125,000	3,125,000
Issued shares	2,904,070	2,904,070
Stated value	\$17,646,448	\$17,646,448

The Board of Directors, on February 4, 1972, approved the subdivision of the common shares on the basis of two new shares for each share authorized and presently outstanding. This is subject to confirmation by shareholders at a special meeting to be held May 5, 1972, and accordingly this subdivision has not been reflected in these financial statements.

Under a Stock Option Plan for officers and key employees of the Company and its subsidiaries, a maximum of 125,000 shares are reserved for issue at a price which cannot be less than 100% of fair market value at date of grant.

No options were granted or exercised during the year. As at December 31, 1971, options were outstanding and exercisable on 70,125 shares (including 36,875 shares granted to directors and officers) having an aggregate option price of \$1,789,665, leaving 54,875 shares available for future grants. Details of common shares under option at December 31, 1971, are as follows:

Number of shares	Option price per share	Expiry date of options
18,750	Cdn.\$25.20 (U.S.\$25.20)	February 8, 1973
1,000	Cdn.\$34.00 (U.S.\$34.00)	May 9, 1974
41,875	Cdn.\$25.20 (U.S.\$25.20)	February 8, 1978
5,000	Cdn.\$28.13 (U.S.\$28.13)	May 8, 1978
3,500	Cdn.\$34.00 (U.S.\$34.00)	May 9, 1979

Earnings per common share were determined by dividing the number of common shares outstanding during each year into net income less preferred share dividends. There would be no material dilution of such earnings per common share if all stock options were exercised.

	1971	1970
6. Long-term debt		
Venezuela —		
10% bonds due in instalments to 1978*	\$ 7,643,182	\$ 7,777,778
11% notes due in 1974 (note 4)	3,000,000	1,920,000
8% demand notes due \$1,000,000 in 1972 and \$2,000,000 in 1973	3,000,000	—
7% bank loan payable in Swiss Francs due in semi-annual instalments to 1980	3,545,542	1,267,180
6% and 7½ % equipment notes due in semi-annual instalments to 1976	883,684	1,157,965
6% notes due in annual and semi-annual instalments to 1978	3,708,008	4,240,456
Other	149,959	241,921
	<u>21,930,375</u>	<u>16,605,300</u>
Bolivia —		
5½ % loan from International Development Association through the Bolivian Government, due in annual instalments to 1989*	4,446,093	4,517,972
6% loan payable in Canadian dollars, from Export Development Corporation due in semi-annual instalments to 1983	2,395,440	1,658,836
Equipment notes with interest from 5¾ % to 8½ % due in varying instalments to 1977	1,239,022	327,120
	<u>8,080,555</u>	<u>6,503,928</u>

	1971	1970
El Salvador —		
7% notes due in 1972*	50,905	137,457
Barbados —		
Bank loan due in instalments to 1976 at the Barbados prime interest rate which at December 31, 1971, was 7½% (1970 – 8½%)*	2,141,200	1,999,200
5½% equipment notes payable in pounds sterling, due in semi-annual instalments to 1976 and 1978	1,930,795	1,784,655
6½% equipment notes due in semi-annual instalments to 1977	475,077	527,548
9¼% debenture payable in pounds sterling to Commonwealth Development Corp. from 1976 to 1990, secured by certain assets	770,831	—
	5,317,903	4,311,403
	35,379,738	27,558,088
Less amounts due within one year included in current liabilities	<u>4,336,834</u>	<u>3,209,321</u>
	<u>\$31,042,904</u>	<u>\$24,348,767</u>

*Repayable in the currency of the country.

The aggregate amounts of long-term debt maturing annually after December 31, 1972, are as follows:

Year	Amount
1973	\$ 5,316,960
1974	6,326,017
1975	3,284,314
1976	5,310,989
Subsequently	10,804,624
	<u>\$31,042,904</u>

7. Income Taxes

All of the countries in which the subsidiaries operate, except Barbados, impose withholding taxes upon cash dividends paid to the Company. It is the policy of the Company to charge withholding taxes to income in the year cash dividends are paid. Since it is the intention of the subsidiaries to reinvest a substantial portion of their earnings in new capital assets, no provision has been made for withholding taxes which may be payable if and when undistributed earnings of subsidiaries are paid to the Company as cash dividends.

Subsidiary companies in Venezuela have received assessments aggregating \$1,379,385 from the Income Tax Administration in connection with the computation of the investment credits in 1966 and prior years. The Company made provision in 1968 for these assessments with interest thereon aggregating \$1,797,962, which amount is included in the "Provision for contingencies" in the accompanying consolidated balance sheet, pending settlement thereof.

Income taxes have been reduced by \$1,755,000 in 1971 (\$1,680,000 in 1970) as a result of credits permitted under income tax laws for investments in property, plant and equipment, principally in Venezuela.

8. Other Taxes

In March, 1971, the Maracaibo Municipality (City Council), contrary to the terms of an existing valid public service concession contract, unilaterally increased the rate of tax of the Maracaibo subsidiary by a

substantial percentage, effective April 1, 1971. In the opinion of counsel, the Company has a good and valid basis for contesting the increase and the Company is therefore taking all legal steps necessary to appeal the action of the Municipality. In the unlikely event of an adverse decision by the Courts, the consolidated net income for 1971 would be reduced by approximately \$780,000 or 27 cents per share.

9. Employees' service and severance indemnities and pension plans

Venezuela and Bolivia —

Employees' service and severance indemnities required under the laws of Venezuela and Bolivia are charged to income when paid (\$867,000 in 1971 and \$590,000 in 1970). The maximum liability in the unexpected event of complete separation of all employees aggregated approximately \$5,200,000 at December 31, 1971 (\$3,975,000 at December 31, 1970) which if paid, would give rise to tax credits of approximately \$2,100,000 (1970 - \$1,500,000).

Barbados —

In October 1971, the non-contributory pension plan for senior staff was converted into a funded plan. The liability arising for past service benefits of approximately \$177,000 will be amortized over ten years.

El Salvador —

A pension plan, incorporating past service benefits, was established in 1967. Contributions by the employees and the company are to be used for the payment of pensions or severance indemnities, at the option of the employee. An actuarial valuation of the plan indicated a deficiency with respect to past service benefits of approximately \$409,000 at August 15, 1969. The company's contributions include an amount that will be sufficient to amortize this deficiency over a period of not more than twenty-eight years.

Canada —

An actuarial valuation of the employees' pension plan indicated a deficiency with respect to past services of approximately \$516,000 at June 30, 1971. It is the company's intention to amortize \$300,000 of this deficiency within three years and the balance over nineteen years.

10. Remuneration of Directors and Officers

Information required by Section 120B of the Canada Corporations Act is as follows:

	Aggregate remuneration received by twelve directors of Canadian International Power Company Limited, (four of whom were also officers)		Aggregate remuneration received by ten officers of Canadian International Power Company Limited (eight officers in 1970)	
	As directors 1971	1970	As officers 1971	1970
Canadian International Power Company Limited	\$54,230	\$64,925	—	\$ 45,000
International Power Company Limited	9,200	8,750	—	—
Monterey Railway, Light & Power Company	2,700	1,500	—	6,000
C I Power Services Limited	3,900	1,118	—	235,113
Bolivian Power Company Limited	432	177	—	30,000
C.A. Energía Eléctrica de Venezuela	—	444	—	32,400
Inversiones Indesven S A	—	—	\$15,333	45,000*
Total	<u>\$70,462</u>	<u>\$76,914</u>	<u>\$15,333</u>	<u>\$348,513</u>
				<u>\$278,085*</u>

*A lump sum payment in 1970 of \$166,000 made under Venezuelan law upon severance of employment is not included in these amounts.

OPERATING COMPANIES DATA

OPERATING STATISTICS

Generating Capacity at December 31
(Installed Kilowatts):

	1962	1963	1964
Hydro	66,250	66,250	66,250
Diesel	29,115	43,682	49,200
Steam	169,500	174,500	174,500
Gas Turbine	20,000	20,000	20,000
	284,865	304,432	309,950
Purchased Kilowatts (under contracts)	44,875	48,346	52,785
	329,740	352,778	362,735
Kilowatt-hours sold (thousands)	899,910	988,928	1,085,382
Operating Employees at December 31	1,367	1,770	1,828
Number of Electric Customers served at December 31	238,524	281,198	294,484

FINANCIAL STATISTICS (000's)

Operating Revenue	\$ 23,404	\$ 25,363	\$ 28,167
Operating Expenses and Taxes	13,124	15,383	16,773
Operating Income before Depreciation	10,280	9,980	11,394
Provision for Depreciation and Renewals	2,207	2,209	2,816
Capital and Replacement Expenditures for Property, Plant and Equipment	4,337	3,300	5,857
Fixed Capital Account — Property, Plant and Equipment at December 31	116,220	126,923	132,679

Note: 1962 Combination of U.S. and Cdn. Dollars
1963-1971 U.S. Dollars and consolidation of Monterey and Oruro Subsidiary Companies.

1965	1966	1967	1968	1969	1970	1971
66,250	92,735	92,735	92,735	117,035	117,035	117,035
58,903	58,307	72,561	75,805	83,755	83,755	92,342
174,500	240,500	240,500	240,500	240,100	240,100	240,100
33,200	47,600	61,350	76,350	106,550	141,650	143,600
332,853	439,142	467,146	485,390	547,440	582,540	593,077
62,490	66,725	73,889	78,027	87,843	94,418	102,457
395,343	505,867	541,035	563,417	635,283	676,958	695,534
1,177,509	1,361,225	1,503,931	1,658,190	1,836,530	2,020,873	2,178,416
1,940	1,995	2,065	2,151	2,167	2,199	2,264
317,580	342,628	363,990	386,200	406,062	430,034	452,738
\$ 31,358	\$ 36,535	\$ 40,492	\$ 44,256	\$ 49,597	\$ 56,105	\$ 60,488
18,916	21,601	23,478	25,740	29,671	34,135	38,280
12,442	14,934	17,014	18,516	19,926	21,970	22,208
3,673	4,178	4,872	5,478	6,042	6,855	7,594
14,678	16,829	15,460	14,415	17,054	15,765	19,127
148,233	168,811	183,019	196,807	212,709	227,689	244,443

Canadian International Power Company Limited
shares of common stock
are listed on the
American Stock Exchange in New York;
shares of both preferred and common stock in
the company
are listed on the Montreal Stock Exchange.

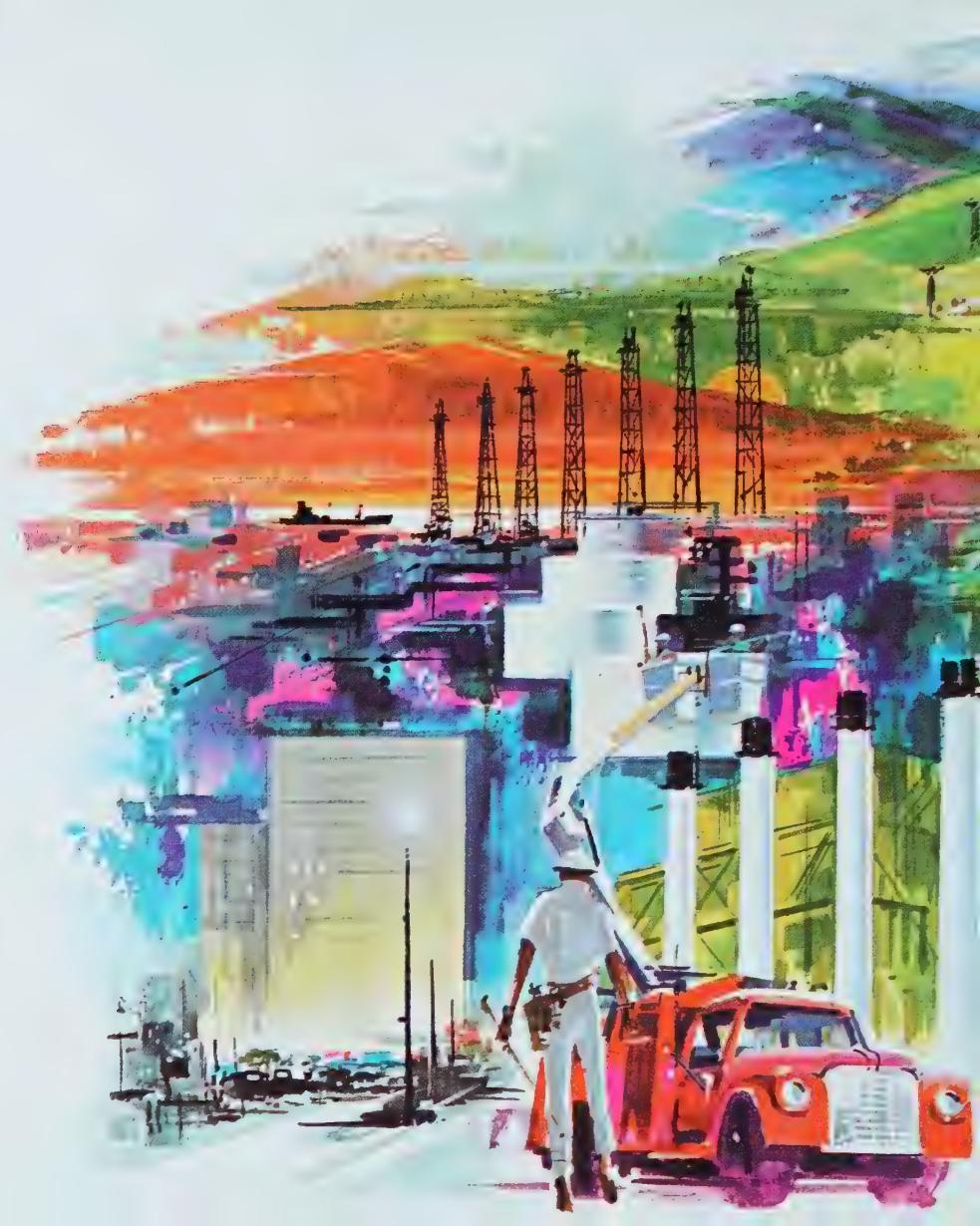
MANAGING FOR THE COMMON GOOD — C I POWER ACCOMPLISHMENTS IN FOUR GROWTH COUNTRIES

C I Power, as this report confirms, has succeeded — even during a period of economic and political change — in enjoying the respect of the communities it serves. This reflects a consistent effort, over the years, to consider not only the shareholders' interests but those of the particular country in which each subsidiary operates.

These interests range from agricultural and small town development through extensive rural electrification programs to the expansion of city power for industrial and commercial progress.

To meet such growth demands has required a variety of engineering and management accomplishments, a few of which are briefly described on the following pages — together with our artist's concepts of the fascinating areas which C I Power serves.

RURAL AND URBAN
ELECTRIFICATION
FURTHERS THE RAPID
AGRICULTURAL
AND INDUSTRIAL GROWTH
AND THE
GENERAL PROSPERITY
OF WESTERN VENEZUELA





The part that C I Power management has played in the recent industrial, agricultural and general economic growth of Western Venezuela ranks high among the contributions of the company and its operating subsidiaries to the welfare of the people they serve.

Since 1963 the Venezuela companies' rural electrification program has grown from some 250 to nearly 3,000 miles. It extends into the Colombian border on the northwest and down to the Colon district, now under development in the south. Among the most comprehensive rural electrification systems in Latin America, it has brought the benefits of electric power for irrigation, for milk cooling, for better living conditions to the produce farming areas in the north, the dairy area west of the city of Maracaibo and to the beef cattle country west and south of the city. This accomplish-

ment has received the commendations of electric utility experts from other developing nations concerned with bringing low cost electricity to their rural areas.

Our management's success in rural electrification is matched by similar accomplishments in anticipating and meeting the continuously increasing electric usage requirements of the cities of Maracaibo and Barquisimeto. The company, back in 1958, ringed the city of Maracaibo with a 138 thousand volt transmission system in anticipation of the growth which has taken place in this center of the country's petroleum industry. The company has continuously expanded generating power, and is presently adding a new centrally located 138/24 kv substation with 180,000 kva capacity further to improve reliability and voltage quality in Maracaibo.



ZONGO

BOTILLACA

CUTICUCHO

STA. ROSA #1

STA. ROSA #2

SAIMARI



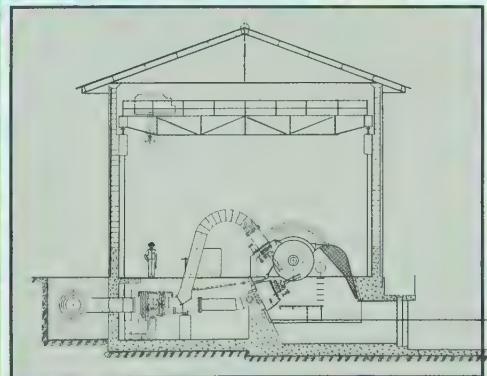
ENGINEERING ANDES WATER INTO BOLIVIAN ELECTRIC POWER

Bolivia, high on the eastern slope of the Andes, presents the dramatic example of C I Power engineering sketched here — the Zongo Valley hydro-electric generating system.

A series of high head hydro-electric plants, seven in operation, the eighth (Cahua) now building, have been designed and engineered to produce the needed electric energy for the growing city of La Paz, present population 500,000, its surrounding agricultural area and, via an 80-mile line across the peaks, for the new zinc mine near Lake Titicaca. A similar series of four plants supplies power for the tin mines in the Oruro district.

While the plants themselves, all built by country nationals, may appear minute in comparison with the towering Andes, each represents a vast amount of complex engineering and construction — not alone of the plants themselves but of miles of access roads and more miles of tunneling through solid rock. The Cahua Plant has required the building of three miles of tunnels, carefully designed to take water for a 2,600 foot drop to the water-wheel. When completed, this installation is estimated to cost some \$11,000,000 and will add 26,000 kilowatts to the present 87,000 kilowatt capacity of the system.

To get even a rough idea of the difficulties of constructing hydro-electric plants in such terrain, it should be noted that the highest is at 14,000 feet above sea level — an altitude only a llama can appreciate.





ANTICIPATING BARBADOS' ACCELERATED GROWTH

C I Power's subsidiary in Barbados offers a significant example of management planning. In 1963, when The Barbados Light and Power Company became a member of the C I Power electric utilities group, a study was made of the island's development potential. This resulted in a plan for meeting electric energy needs over a 15-year period.

Following through on this program, the company has constantly added to its generating capacity and to its transmission and distribution network. Today the company network extends more than 750 miles and brings electricity within easy reach of 90% of the population. Total installed generating capacity is now 48,000 kilowatts against a 1971 peak demand of 30,160 kilowatts.

Tourism has supplanted sugar production as the major source of island income. New hotels and other improved tourist accommodations have increased the demand for electric power. Aided considerably by the company's own marketing program, residential use of electric appliances has multiplied rapidly. The Barbados government's highly successful efforts to develop local industries through the building of industrial parks has added further to the demands for power. The ability to supply this power and to offer reliable service has, therefore, been of recognized importance to the new island nation's progress.



SERVING ELECTRIC NEEDS — AND MORE — IN EL SALVADOR

Our Salvador company distributes electric power to San Salvador, capital of the country, and to some 130 communities in this progressive Central American nation. In the past few years, it has continuously increased its rural electrification network until this now stretches from the Honduras border to the Pacific coast. It enjoys an outstanding reputation for the reliable service of its personnel, who are with only two exceptions, country nationals.

Beyond that, the company has made itself an important and respected community enterprise through the contributions of its management to the cultural, educational and general public interests of San Salvador and the country at large.

Among these is the company auditorium in its headquarters building. This is the only such facility in San Salvador and is offered free of cost to deserving organizations. In 1971 the National University of El Salvador tendered a special diploma to the company in recognition of its contributions to commercial training. The company's top executive, a Salvadorean, is President of the El Salvador Committee of INCAE, the Central American Graduate School of Business in Managua, Nicaragua, whose curriculum and staff are supervised by the Harvard Business School and which has received continuous financial support from the company.

These are only a few of the reasons why the company constantly receives requests from other Central and South American electric utilities for information on its management methods, including its success in doubling the number of customers.

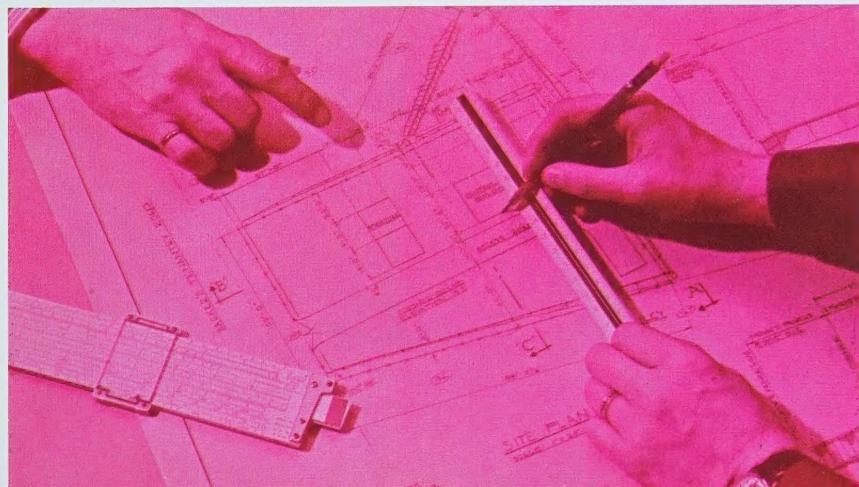
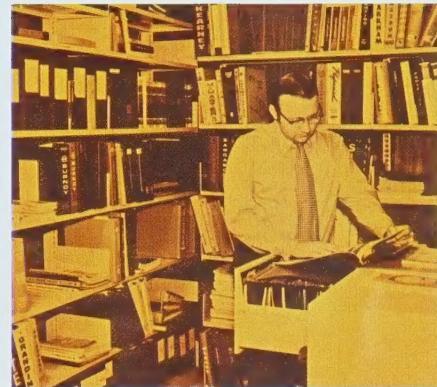
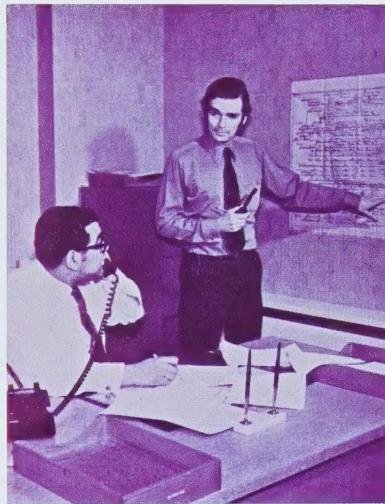
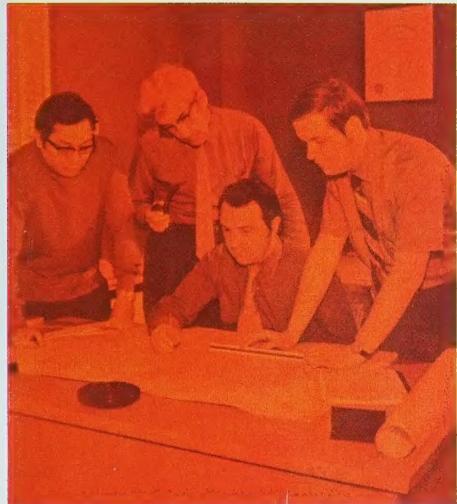


C I POWER SERVICES ENGINEERING TEAM

The company is justifiably proud of the group of young but highly experienced electrical, mechanical and civil engineers of C I Power Services, our management, engineering and purchasing subsidiary. All of them, with degrees from leading engineering schools, have served on important engineering projects in Canada, South and Central America, Asia and Africa.

In the electric utility engineering field their capabilities range from generation feasibility studies to urban and rural systems planning; from maintenance programming to computerized load flow studies.

Our engineering group offer unusual competence in all areas of electric utility operation. In addition to the home office staff, some of whom are pictured here, C I Power Services maintains a Central American Office in San Salvador, the capital of El Salvador and a Bolivian Office in La Paz.



A newly-formed C I Power Services subsidiary, Consultores Occidentales, S.A., in Maracaibo, Venezuela, offers further Latin American capabilities and coverage.

C I Power Services' capabilities are available to governmental, international and business organizations in Latin America, Canada, Africa and the Near or Far East. Enquiries should be addressed to: G. B. Fairgrieve, Vice-President—Engineering, C I Power Services Limited, 276 St. James Street West, Montreal 126, Quebec, Canada.



WORLD-WIDE PURCHASING

This list of equipment and materials purchased by C I Power Services and their countries of origin suggests the experience of our purchasing and expediting personnel in getting the right material at the right price wherever it is made — world-wide.

Australia Calculators

Austria Turbines, Valves

Belgium Transformers

Bolivia Steel Rods

Brazil Generators

Canada Transformers, Cable, Control Boards, Line Hardware, Circuit Breakers, Power Line Carrier, Substation Structures, Mobile Substations, Meters, Insulators

Chile Rubber Tires

EI Salvador Cable

France Insulators, Circuit Breakers, Instruments

Holland Underground Equipment

Honduras Wood Poles

India Penstocks

Italy Steel Towers, Transformers, Circuit Breakers

Japan Transformers, Watt-hour Meters, Line Hardware, Cable

Portugal Cranes

Spain Radioactive Lightning Arresters, Transformers

Sweden Transformers, Circuit Breakers

Switzerland Gas Turbines, Diesels, Penstocks

United Kingdom Transformers, Insulators, Lightning Arresters, Diesels, Generators, Cable

United States Transformers, Cable, Control Boards, Line Hardware, Circuit Breakers, Power Line Carrier, Substation Structures, Mobile Substations, Meters, Insulators, Gas Turbines, Diesel Generators

Venezuela Line Hardware, Cable

West Germany Turbines

CANADIAN INTERNATIONAL POWER COMPANY LIMITED

BOARD OF DIRECTORS

- *Frederic J. Ahern, New York
Vice-President, The United Corporation
- E. Ryckman Alexander, Montreal
Vice-Chairman of the Board,
Gaz Métropolitain Inc.
- *Eric H. Campbell, Montreal
President
Canadian International Power Company Limited
- Leo F. Daley, Boston
Senior Vice-President,
Harris, Upham & Co. Incorporated
- William R. Eakin, Montreal
President, McLean Kennedy, Limited
- *William M. Hickey, New York
President, The United Corporation
- Hon. Robert C. Hill, Littleton, New Hampshire
former United States Ambassador to Spain
- John R. Hughes, Montreal
Vice-President and Director,
Maritime Electric Company, Limited
- *Alejandro J. Lara, Caracas, Venezuela
President, Fiveca, S.A.
- *Paul W. Raymer, Sarasota, Fla.
Director,
Canadian International Power Company Limited
- *R. J. Shirley, Montreal
Executive Vice-President
Canadian International Power Company Limited
- Richard Joyce Smith, New York
Partner, Whitman & Ransom, Attorneys at Law,
Trustee, New York, New Haven and Hartford
Railroad Company, In Reorganization

OFFICERS

- William M. Hickey, *Chairman of the Board,*
Chairman of the Executive Committee
- Frederic J. Ahern, *Vice-Chairman of the Board*
- **Eric H. Campbell, *President*
- **R. J. Shirley, *Executive Vice-President*
- **G. Bruce Fairgrieve, *Vice-President — Engineering*
- **H. Robert Mullan, *Vice-President — Finance and*
Treasurer
- **Alan B. Creaghan, *Vice-President — Law and Secretary*
- David C. Mitchell, *Vice-President Non-Canadian*
Assignments
- Henning J. Porsaa, *Assistant Treasurer*
- **H. Paul Crevier, *Assistant Secretary*

OFFICE

276 St. James Street West, Montreal 126, Quebec,
Canada

TRANSFER AGENTS

- Montreal Trust Company
1695 Hollis Street, Halifax, Nova Scotia.
- Place Ville Marie, Montreal, Quebec,
15 King Street West, Toronto, Ontario,
- Notre Dame at Albert Street, Winnipeg, Manitoba,
- 8th Avenue at 3rd Street, Calgary, Alberta,
- 466 Howe Street, Vancouver, British Columbia.
- First National City Bank,
55 Wall Street, New York, N.Y.

REGISTRARS

- Montreal Trust Company
- The Chase Manhattan Bank,
1 Chase Manhattan Plaza, New York, N.Y.

AUDITORS

Arthur Young, Clarkson, Gordon & Co.

EXECUTIVES OF OPERATING COMPANIES

- Barbados: John H. Nelson (1955), *Managing Director*
- Bolivia: Bruce F. Junkin (1947), *President*
David C. Mitchell (1953), *Executive Vice-President and General Manager*
- El Salvador: Manuel Cano G. (1936), *General Manager*
- Venezuela: Jean van Tongelen (1964), *President,*
Venezuela Operating Companies and
General Manager, Maracaibo Company
Dr. Felix Otamendi O. (1963), *General*
Manager, Barquisimeto Company

C I POWER SERVICES LIMITED SENIOR PERSONNEL

- Arnold H. Gerrish (1946), *Chief Engineer*
- Franklin P. Krug (1955), *Personnel Co-ordinator*
- Victor N. Tomaschuk (1957),
Senior Mechanical Engineer
- C. D. G. Pearson (1960),
Co-ordinator — Industrial Relations
- Michael F. Howden (1963), *Purchasing Agent*
- L. Karl Hinds (1966), *Senior Operating Engineer*
- Allan J. MacDonald (1966), *Senior Electrical Engineer*
- James J. Dealy (1970), *Assistant to the Chairman*
- Bernard V. King (1970), *Senior Civil Engineer*

(Dates indicate year of first employment with
associated companies)

*Members of the Executive Committee

**Executives of C I Power Services Limited

